PUBLIC RELATIONS

PUBLIC RELATIONS JOURNAL

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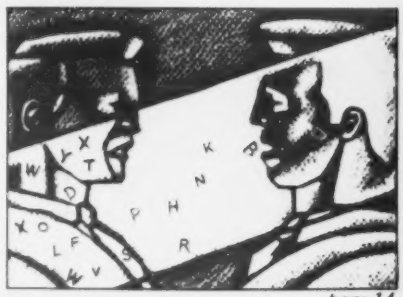
FEATURE

14 Beyond Employee Publications: Making the Personal Connection

Valuable as in house publications are, they can't do the whole job of employee communications. In fact, personalized communication from management is increasingly the preferred choice among the new breed of employees. Yet, evidence shows that many organizations are still relying primarily on publications. A look at why some have not yet made the personal connection, and at others that are doing so—with productivity and quality benefits to show for it.

E. Zoe McCathrin, APR



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PORTFOLIO

21 Employee Annual Reports

In recent years, restructurings, mergers and acquisitions, an intensely competitive business environment and an increasingly sophisticated and information-hungry employee base have led companies to develop more meaningful types of employee publications—notably, the employee annual report. How several companies are tailoring content and graphics to make this relatively new format achieve their specific goals. *Laurie Sue Brockway*

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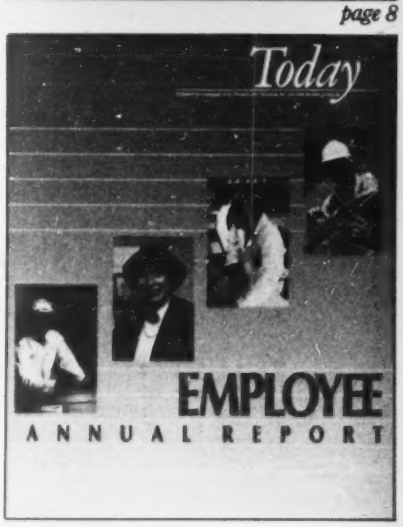

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Cover Illustration: *Terrance Cummings*

INSIDE TRACK

Facing up to employees

No doubt about it, employees have many reasons to be jittery these days—not the least of which are corporate restructurings that frequently lead to downsizing of staffs. Yet, given the costs of training and the service orientation of our economy, employees are a more valuable asset than ever.

What more important topic for corporate practitioners and their firm counselors then, than how best to communicate meaningfully with employees? Author Zoe McCathrin, APR, assistant professor at the School of Journalism and Mass Communication at Kent State, formerly vice president of public relations at BancOhio National Bank, surveyed the available data and some of the gurus of internal communictions *(page 14)*. Her reluctant conclusion: Top managers know that face-to-face dialogue is critical, but many companies are still relying primarily on printed communications. "There's a lot of good thinking out there, but it's not being implemented," notes McCathrin, who asked the experts why this is so, and also found several organizations that *are* actively making the personal connection.

Just so you don't think we're anti-publication (which would be rather self-defeating . . .), this issue also features a special portfolio on employee annual reports *(page 21)*. Though the genre is relatively new, there are as many variations on the theme as there are individual needs within organizations.

Also in this issue, a timely guide to law and ethics in regard to writing—timely because of the June Supreme Court decision on copyright, which affects practitioners both as writers and as employers of writers.

Time—and money—are the subjects of "Computerizing for productivity" *(page 26)*, Jim Horton's frank, instructive look at why most public relations firms aren't yielding the benefits they'd anticipated from their computer systems. Jim, who's with the Chester Burger Company, recounts horror stories—but also offers hope for happy endings.

—Karlene Lukovitz, Editor

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BRIEFINGS

Environmental issues dominate print coverage

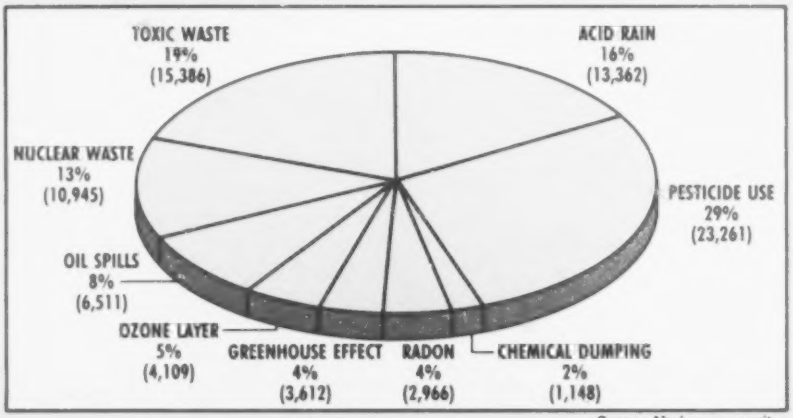
Over the past five years, stories addressing environmental issues such as the dangers of pesticides, toxic waste, acid rain, oil spills and the greenhouse effect have received more print coverage than social problems such as AIDS and cocaine abuse, according to a scan of top daily newspapers, wire services, and business and trade publications conducted by Mead Data Central via its NEXIS News Monitor.

During the five-year period, the print media generated 80,980 news stories addressing environmental issues. In comparison, less than 40,000 stories were written about the AIDS crisis and about 16,000 stories reported on the growing use of crack.

The top environmental issue found in the news scan was the dangerous effects of pesticides on personal health, which appeared 23,261 times out of the 80,980 environmental stories. The other top subjects covered, in order of frequency were: toxic waste, acid rain, nuclear waste, oil spills, the ozone layer, the greenhouse effect, radon and chemical dumping.

The NEXIS service includes more than 350 major news sources. □

Top environmental stories



Source: Nexis news monitor

A recent study found environmental problems to be the subject of 80,980 news, magazine and wire stories over the last five years. The figures in parentheses indicate the number of times each topic appeared.

Resources

Continued from page 11

proper steps to take when siting a project in a neutral or hostile environment. Topics covered include assessing issues, identifying concerns and developing a community relations plan.

Price: Single copies free. Contact: Communications for Management, Inc. International, 8 South Michigan Avenue, Suite 1001, Chicago, IL 60603; (312) 641-0570.

Business magazine database

"Business Currents," a new IBM PC-compatible database that allows users to locate and collect summaries of articles contained in 13 leading U.S. business magazines, is now available from Insight Datasystems. For most articles, full texts can be ordered. The publications indexed include *Business Week, Fortune, Forbes, Harvard Business Review, D&B Reports, Nation's Business, U.S. News & World Report, Inc., Business Month, Industry Week, Venture, Across the Board,* and *Management Review.*

Business Currents operates on IBM PC-compatible computers with at least 4.2 MB of available hard disk space and 390K of available DOS (3.01 or higher) memory.

Price: $229 for initial database of previous 12 months' articles, software and documentation, plus $22 for each monthly update. Contact: Insight Datasystems, Inc., 723 Washington Street, Newton, MA 02160; (617) 965-6888.

Electronic media kits

Media kits designed and created for trade and consumer magazines in diskette form are now available from CompuDoc. These interactive documents include user-friendly integration of color graphics, animation and special spreadsheet analysis. The kit allows viewers to provide input on their requirements and preference for circulation, editorial emphasis, ad size, budget, trade show activity, and so on, and then prints out a recommended advertising schedule.

Price: $9,000–$14,000. A brochure diskette is available free. Contact: CompuDoc, 1090 King George Post Road, Suite 808, Edison, NJ 08837; (201) 417-1799.

New fax service

A new service, Xpedite FaxCast, which can deliver up to thousands of faxes with a single transmission from a personal computer, is now available from Xpedite Systems. The user employs a PC to transmit a fax address list and the document to be delivered. Address lists can be stored for future use.

Features include the ability to send text, graphic and desktop publishing files to fax machines, and the option of selecting either express or off-peak delivery. Subscribers require an IBM PC or compatible with 512K of memory, a hard disk or dual floppy drives and a standard asynchronous modem.

Price: $69 for software. Contact: Xpedite Systems, Inc., 446 Highway 35, Eatontown, NJ 07724; (800) 227-9379.

Japanese IR database

A database of Japanese investment professionals, "IR Japan Mail," which provides firms with direct access to Japan's financial community via mailing labels printed in Japanese characters, is available from CDA Investment Technologies. The database contains information on about 3,500 Japanese analysts, fund managers and other financial decision makers. It also provides coverage of Japan's banks, investment and securities companies, research firms and insurance companies.

Price: $4,200 annual fee entitles subscribers to six label mailings. Contact: CDA Investment Technologies, Inc., 1355 Piccard Drive, Rockville, MD 20850; (301) 975-9600. □

Beyond Employee Publications

Making the Personal Connection

Many companies are still relying too heavily on impersonal forms of employee communications—but those who have actively revamped their strategies are reaping the benefits

By E. Zoe McCathrin, APR

Employee publications have been an essential communications tool since at least the late 1800s, when Dayton, Ohio-based NCR introduced *The NCR Factory News*.

Today, more employee newsletters, magazines and reports exist than ever before—guesstimates put the number at about 25,000 in the United States and Canada, according to IABC Communications Director Clifford D. McGoon. He and others cite many good reasons for this boom: consistency of message, ability to reach all employees simultaneously, ability to clearly and thoroughly convey complex messages, relative ease of distribution and cost efficiency.

However, a growing body of evidence suggests that internal publications may have become somewhat *too* relied upon. The data indicates that many organizations are still underutilizing other, more personal communications methods—methods which, paradoxically, both employees and top management agree are essential, and more effective than publications alone.

Why the seeming gap between this shared perception of the importance of personal communications methods and their actual implementation? How have some organizations made the personal connection?

Defining the need

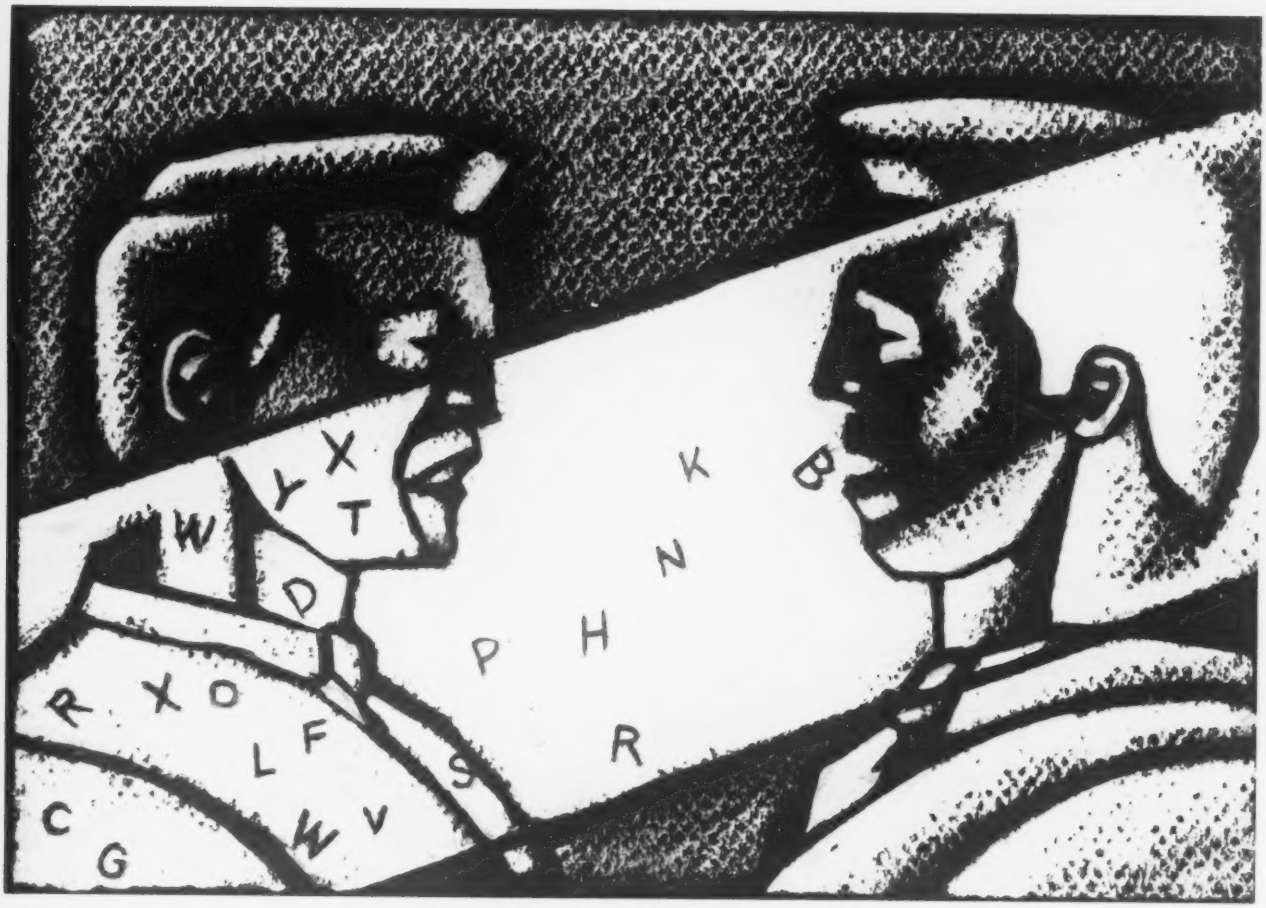
A host of changes in the makeup of the work force itself are major contributors to the need for more personal forms of communication. U.S. Labor Department statistics tell us that nearly half of the work force is under 35 years of age. Countless studies in the past decade have confirmed that those who were born after the family television set became a household fixture are more attuned to receiving information electronically or in face-to-face discussions. The printed word, for these generations, has become a secondary tool.

Few if any employers are unaware of the growing problem of illiteracy in this country. For sectors that are particularly hard-hit by this problem, internal publications are obviously of limited value.

Yet, today's American employees are for the most part well-educated and seek involvement in the workplace. They need and want more information from their companies and organizations. They have far less "automatic" loyalty to a company and, according to the National Opinion Research Center, have a work ethic more driven by desire for personal success than by a strong desire to help their companies succeed.

Their hierarchy of needs in relation to their employing organization starts, according to Roger D'Aprix, practice leader at Towers, Perrin, Forster & Crosby, with the questions: "What am *I* expected to do on this job?" and "Am *I* performing appropriately?" quickly followed by, "Does anyone care about *me* in this organization?" These, he writes in "Experts in Action," edited by Bill Cantor, are followed by the "we" questions: "What are *we* up to, and how are *we* doing?" "What is *our* charter and how does that charter match up to other functions?" Only if all of these primary questions have been answered satisfactorily will the employee ask: "How can *I* help?"

But changes in the demographic and attitudinal makeup of the work force itself are only half of the picture. The dramatic forces that have been affecting businesses and organizations in recent years—intense, global competition, restructuring and mergers and acquisitions, deregulation, the switch to a service economy—continue to have a huge impact on employees and employee relations.



On one hand, as D'Aprix points out, employees' status has risen tremendously, as employers have recognized the costs involved in retraining for service positions and have begun to see labor shortages resulting from the "baby bust." On the other hand, employees in some ways have more reason than ever to feel insecure and to demand answers about the futures of their specific companies, the fields in which those companies operate and what this will mean for their personal employment and growth.

Trying to reach thousands of employees scattered throughout many locations and helping employees to cope with dramatic corporate changes such as mergers and downsizing are key among the issues with which communicators are grappling. More than two-thirds of executives from 281 major U.S. firms who were surveyed by The Conference Board earlier this year indicated that their firms had undergone a major corporate restructuring since 1984, nearly half had substantially reduced staff, and 45 percent had been involved in mergers or acquisitions.

According to Richard Wilmot, APR, of San Diego-based Wilmot Associates, Inc., both the under 35 years of age half of the work force and those of the "'60s generation" are concerned about a lack of information about their employing organizations, including where the company is headed and the whys behind decisions. For these employees, an effective management is one that is willing to listen, and not just "talk down."

"Communications pros do print and video very well, but we're not trained in group dynamics"

Yet, while employers and employees have a greater need than ever to relate effectively to one another, employees clearly feel that, to a significant extent, this is not happening. Of 5,000 workers nationwide surveyed in 1987 by Boston-based The Wyatt Company, only 40 percent said that management seeks their input on important issues; about 25 percent said they have no freedom to express opinions.

Office workers from around the country who were polled by Louis Harris and Associates in 1988 indicated that one of the largest shortcomings they see in management is a failure to encourage a free exchange of information among employees and departments—and 38 percent of executives interviewed also conceded this point. Just over three-quarters of employees indicated that information exchange is very important to them, but only 35 percent said it is occurring in their companies. Similarly, 61 percent said that a participatory management style at all levels of decision-making is very important to them, but only 28 percent said it exists in their organizations.

A recent IABC/Towers Perrin survey of 32,000 employees in 26 business organizations revealed that only half thought that company communication was candid and accurate. Two-thirds said communication was incomplete, and more than half said communication was strictly from the top down, with no opportunity provided for discussion.

D'Aprix points out that nearly all past research has indicated that employees consider "the grapevine" to be their primary source of organizational information,

but that respondents to this recent study most often cited their immediate supervisors as primary sources. While this may indicate some progress, he notes, the grapevine was still the second most-cited information source—and it far outstripped all company media.

How do employees *prefer* to get their information? According to this and other studies, they prefer personal communications from their immediate supervisors, senior executives and small group meetings, in that order. What forms of communications do employees feel need most improvement? Those from senior executives, immediate supervisors, orientation programs, small group meetings and upward communication programs—again, all personal forms of communication.

A 1988 survey of 150 college workers by Kent State University graduate public relations students Richard Waren, Nita Rao and Regina Walz Simpson also found a preference for one-on-one communication in all key communication areas, including the conveying of expectations for performance, rules and regulations, strategies and goals, safety and productivity advice and benefits information. And, 89 percent of these workers, like their peers elsewhere, feel that internal publications are good for additional information and to keep on file for reference, but are too slow in production and too company-focused to serve all their communications needs. Education level, which varied from high-school dropout to college graduate in this sample, made no difference in communications method preferences.

Public relations professionals know only too well that when gaps in meaningful communication from management exist, the vacuum is filled with sometimes inaccurate or incomplete grapevine news and rumors, which can cause needless stress and concern among employees and work against productivity.

Growing management awareness

There's also plenty of data to indicate that management has become increasingly aware of employee preferences, when it comes to communication modes. The polls conducted by Harris indicate that 66 percent of executives are aware that most workers want freer exchange of information—a 16 percent increase over 1966. Forty-four percent recognize that many workers want participatory management—up 19 percent from '86.

Brad Whitworth, manager of employee communications at Hewlett-Packard, Palo Alto, California, and current IABC chairman, says that H-P's own research, based on work originated at General Electric in 1984–'85, also substantiates the call for face-to-face and interactive communications. "Mass media and publications can supplement, but not substitute, for dialogue and the chance for employees to give feedback," he says.

Of 132 CEOs surveyed in 1987 by IABC and Johnson and Higgins, a benefit consulting firm, 92 percent cited personal and small group meetings as the best method of employee communications. Most CEOs also said that employee communications directly influence job satisfaction, improve employee commitment and increase productivity. A full 71 percent said communications directly affect the bottom line.

But are these companies taking action on this information? In many cases, the answer is, not really. One indicator of this is the recent Conference Board survey of corporate communications executives, which concluded that "communicators rely on management letters and bulletins and the employee periodical to achieve most of their communications goals." Over 90 percent of these respondents report having at least one periodical that goes to all employees, and one-third have publications for one or more special employee groups.

Hewlett-Packard now communicates with all first-line supervisors via an in-house newswire and E-Mail

On the other hand, three-quarters of these organizations said they have a program of small meetings between managers and employees—and 70 percent said the number of these meetings have increased in the past few years. About half said they schedule meetings on at least a quarterly basis.

Still, about one-third reported that they meet only for "special reasons." And, when respondents were asked to indicate which media they use for various communications purposes, newsletters, magazines and management letters/bulletins were much more frequently cited than meetings in regard to many objectives. (*See table, page 18.*) For example, 90 percent use newsletters or magazines to improve employee morale and foster goodwill, while 75 percent use meetings for this purpose. The only other objectives for which more than 50 percent of respondents indicated that they use meetings were informing employees about internal changes, promoting productivity and quality orientation, and explaining compensation and benefits.

In comparison, a large majority cited using newsletters and magazines for a total of 13 purposes, including the ones already mentioned, plus: increasing understanding of the company's products, organization, codes and policies regarding corporate ethics; changing corporate culture and the external business environment; encouraging employees to be more entrepreneurial; increasing employee understanding of major health or social issues, and encouraging participation in community activities. Management letters/bulletins are also heavily relied upon for many of these objectives.

William Corbett, APR, vice president of communications of the American Institute of Certified Public Accountants, cites a Robert Half study that indicates that CEOs spend 20 percent of their time writing memos. "Why not use the telephone?" he asks.

Mike Emanuel, president of Myron Emanuel/Communications, Inc. in New York and a specialist in internal communications, says there is no question that a gap exists today between what employees want to hear and who they want to hear from and the methods most companies use to communicate with this very critical audience. He says that, while he has substantiated the need for interaction between managers and employees over and over through communications audits, employee surveys and focus groups, "it just isn't happening."

"Five to 10 years ago, we were saying that company publications were dead," echoes David A. Orman, manager of employee communications for ARCO, based in Los Angeles. "But it hasn't happened. We were also predicting that video would become the widely used and accepted internal communications medium, but the expense of production and demand for high quality continue to be factors that constrain video use for many companies." (Although nearly all of the respondents to The Conference Board's survey said they use audiovisual materials, these methods were generally viewed as complementary to print vehicles.)

"Frankly, concentrating on print as an effective communications tool has been exaggerated for decades," says Barry A. Stein. Stein is president of Cambridge, Massachusetts-based Goodmeasure, Inc., a management consulting firm specializing in corporate culture. "Most managers assume that they are perfectly good at face-to-face, but often they are not." Improving in this area is a "major opportunity to contribute to their organiza-

tions," he maintains. Stein's colleague, Rosabeth Moss Kanter, professor of business administration at Harvard, recently published a book, "When Giants Learn to Dance," which documents the "extraordinarily fundamental" importance of effective internal and external communications to succeeding in the new global marketplace. Kanter contends that most organizations today are not structured to "facilitate interaction and the bringing together of people with different points of view."

What's getting in the way?

If organizations know the importance of personal communication with employees, why aren't some approaching this in a more active way?

One reason, according to Emanuel, is that no one specific person within a firm is put in charge of organizing interactive communications. "And, communications professionals are trained in mass media," he says. "While we've learned to do print and even video communications very well, we are not trained in group dynamics. We aren't sure how to stimulate first-line managers to talk with subordinates to motivate and inform them."

A job fair provided employees and spouses a chance to consider options and talk to managers when Allstate stopped writing policies in Massachusetts.

Another reason frequently cited by internal communications experts is a lack of confidence on the part of both top management and supervisors about their ability to successfully conduct effective meetings and discussions. Fear of too much candor, too many questions and the potential for disagreement with management decisions are also factors that make some companies hesitate to encourage discourse with employees.

The tools to communicate

Internal communications pros agree that there are two basic keys to strengthening managers' confidence and ensuring effective dialogue in employee meetings: giving managers as much timely information as possible and providing meeting training.

Supplying line management with support tools, including written outlines of key "talking points" and illustrative data, helps ensure that the information shared with employees is accurate and appropriate. Information about company progress and explanations on why decisions are made also must be consistently provided to managers.

At Hewlett-Packard, there is a major effort to open channels of communication more than ever before, according to Whitworth. "We're trying to help managers communicate and give them support information" so that "more information will be available where employees say they want to get it," he says. Top management is now communicating with all first-line supervisors via an in-house newswire and E-Mail, he reports.

Stein is working with Dallas-based GTE and public relations executives Harriet C. Gonzalez, APR and Bonni G. Jones as part of the company's ongoing efforts to support the development of a new corporate culture. One new program focuses on improving supervisor information via a new, monthly newsletter that provides managers with supervisory and communications tips, as well as critical information to pass on to their staffs. "A formal communications audit will be conducted in first quarter 1990," says Gonzalez, "but our informal feedback from employees has been very, very positive."

"We were saying that company publications were dead five or 10 years ago, but it hasn't happened"

The United States Army is an outstanding example of an organization that has made all the right moves for years now, when it comes to informing and training supervisors. All supervisory-level personnel are trained in facilitating small group discussions, and are sent frequent newsletters and discussion papers on a wide variety of social and public issues to aid them in such discussions, according to Llyle J. Barker, Jr., professor of public relations at Ohio State University and former Army Major General in charge of the Army Public Affairs Office. These information pieces present both pro and con viewpoints and the Army's position on critical issues. In addition, he says, training in face-to-face communication and motivation is a regular part of an officer's skill development program.

The Conference Board reports that more than 60 percent of corporations surveyed have hired outside public relations counsel in the past few years to help with employee communications, including management training. "An often-ignored but critical skill for communicators is listening," says Isobel Parke, APR, senior counsel of Jackson, Jackson & Wagner in Exeter, New Hampshire. "This is a key communication device we try to teach our clients," which include several hospitals.

Boake A. Sells, chairman and CEO of Revco D.S., Inc., a Twinsburg, Ohio-based discount drug chain with 28,000 employees nationwide, tells his managers to "remove the demotivators." Sells advocates that they "show respect by admitting that you don't know everything" and that they are willing to ask for employees' input and advice.

When he came on at Revco in October '87, Sells was the third CEO within little more than a year. There had also been two new management teams, a failed leveraged buyout, a Chapter 11 filing, product out-of-stocks and the closing of 110 stores—a combination tailor-made to throw employee morale into a tailspin. But no significant erosion of the employee base has occurred. And, according to an independent survey of employees conducted last August, 66 percent rate morale as good and more than 80 percent feel well-informed about the Chapter 11 situation and are confident about Revco's future prospects.

To deal with this potentially devastating employee communications challenge, Revco took an integrated approach, using both personalized methods and employee publications to get the word out. The in-

house newsletter, *Scripts*, was jumped from a quarterly to a weekly frequency and changed to a single-topic focus for each issue, to allow for in-depth information. Honest, concerned messages from Sells, along with Q&As that responded to employees' most frequently asked questions on each subject, appeared in the newsletter and letters from the CEO. But in addition, Sells began to make himself available once per quarter for well-publicized call-in programs for employees. For four hours, he sits at a desk answering employee questions phoned in on an 800-number. Questions that need follow-up are referred to department heads.

Only a few days after the bankruptcy filing, a district manager wrote a letter that stated in part: "We've been kept informed all along with Mr. Sells' letters and talks. We have new direction and are ready to get on with business. We are confident that our new leadership will get us back on our feet and back to number one. We've been very open with managers about our financial situation... Everyone appreciated knowing what was going on... I didn't hear a single negative comment."

Taking it from the top

Sells personifies another maxim of personalizing employee communications for maximum impact: That is, that the CEO and other top management must not only be supportive, but involved. As with so many other factors affecting the performance of a company, it is the CEO's attitude about reaching out to employees that sets the tone for all other managers and makes employees either responsive to or cynical about the process.

At ARCO, Orman and his management have initiated "PrimeTime," in which CEO Lod Cook has a monthly, two-hour Q&A session with six employees at one of the company's seven locations. Employee confidence in management, measured before and after the introduction of the feedback program, rose throughout the company. "Employees understand better how they fit in, and their role in the profitability of the company," says Orman.

At Allstate this year, the consumer backlash against the insurance industry in the United States was but one of several major challenges, including: a decision, for the first time in its history, not to renew its license in a state (Massachusetts); the discontinuance of certain Allstate business insurance lines and the sale of its group and health lines; and moves by its parent company, Sears, to change to a discount marketing strategy and to sell the Sears Tower.

"Use of print as a communications tool has been overrated for years"

Focus groups identified six areas of special concern among Allstate employees; then, the company's research center did a telephone survey of more than 500 employees nationwide to gauge the extent of interest in each topic and employees' preferred information methods.

Ultimately, Allstate, headquartered in Northbrook, Illinois, decided to hold a two-hour "Upward Communication" meeting between six employees and the president and chairman of the company, according to Patrick R. Williams, communications consultant for Allstate. The day before the meeting, the six employees met with Allstate corporate relations representatives to discuss the results of the overnight poll and bring up any other topics they thought should be discussed. The meeting was videotaped, and edited down to 22 minutes of highlights. In addition, a special, eight-page issue of one of the company's all-employee publications, *Allstate Now*, presented an expanded version of the dialogue.

Results: Many of the company's 41 regional offices incorporated the video in their immediate communications plans, as a catalyst for discussion and telephone surveys of regional human resources managers have revealed that employees' responses are centering on the comprehensiveness of the meeting and management's candor. Moreover, the latest readership survey for *Allstate Now* showed a credibility ranking of 90 percent. Most important, the spirit of openness and trust that resulted encouraged management to seek employees' input when it was decided to redefine the insurance product to better match customers' needs, Williams reports.

Meanwhile, in dealing with the local problem in Massachusetts, Allstate gave every claim employee in good standing a choice of jobs within the region and set up job fairs that allowed employees to investigate transfer opportunities and to talk face-to-face with senior managers. Susan Addelson, senior communications specialist and editor of *Team*, the company's magazine on personal property and casualty insurance, says she was encouraged to honestly relate the personal stories of affected employees in the magazine. Response from readers lauded the company's commitment to employees.

Consistency counts

Involvement of CEOs and other top managers is important on a routine, as well as crisis, basis. Emanuel encourages top managers to take brown bag lunches with managers, have off-site chats, skip-

Employee communications goals: Use of personal/impersonal methods

Employee Communications Goals	Morale	Internal change	Comp./ benefits	Products	Organization	Ethics	Culture	Ext. bus. envir.	Productivity	Quality orient.	Entrepreneurship	Health/ social	Community
Media used	% of companies using												
Meetings	75%	62%	70%	39%	44%	37%	50%	47%	66%	68%	45%	44%	27%
Employee periodicals	90	86	72	83	84	51	76	81	84	85	54	76	74
Mgt. letters/bulletins	68	88	66	30	68	61	45	48	53	52	28	36	41
Audiovisuals	64	37	49	50	35	22	42	30	52	49	26	25	22

Source: The Conference Board, 1987-'88 survey of 281 major U.S. manufacturing and service firms.

A majority of U.S. corporations surveyed by The Conference Board use meetings to improve morale, convey information about internal change and encourage productivity and quality-consciousness. But employee periodicals and management bulletins—impersonal media—continue to be the main methods relied upon for most communications goals. Audiovisuals are used largely as supplements.

level meetings and other types of "cascading" and two-way communications. "Any way you organize it, the best communication occurs when the boss is out shaking hands and *listening*," he says.

At General Dynamics, the general manager has "walk throughs" and small meetings that allow him to converse with assembly line workers. According to The Conference Board, a growing number of other companies are adopting such methods, including "tool box" sessions between supervisors and workers on the plant floor that focus on specific production problems. Says H-P's Wilcox: "What we used to call 'quality circles' are really 'communications circles.'"

At least once per year, and quarterly or more often wherever possible, companies need to hold "town meetings" with employees, say the experts. At these meetings, senior management should discuss company mission and goals, cite progress, candidly address frustrations and failures and encourage worker input and questions.

Other upward communication

Of course, senior management, or even an individual's immediate supervisor, can't always be on the scene and ready to answer when an employee has a specific question. That's why more companies are adopting standing manager/employee committees or councils and employee-supervised counselor or ombudsman programs.

In some cases, frequent management/employee team meetings are advisable. Princeton Farms, a major mushroom grower based in Princeton, Illinois, found itself in a crisis when an employee was fired and subsequently told the local press that the reason was that he had been trying to start a union. Although management determined that he had actually been fired for work causes, the investigation also revealed that the personnel manager was too overworked to deal with routine personnel matters. A language barrier between managers and the largely Hispanic and Asian employee base had exacerbated the situation. Many employees relied exclusively on rumor or the local papers for information.

Princeton Farms management, with the aid of Chicago-based Aaron D. Cushman and Associates, Inc., established a committee consisting of the general manager, farm manager and the managers of each major department, to come up with a unified policy to deal with employee problems. The committee began meeting weekly to discuss problem areas and make unified decisions on handling them.

Then, an employee committee repre-

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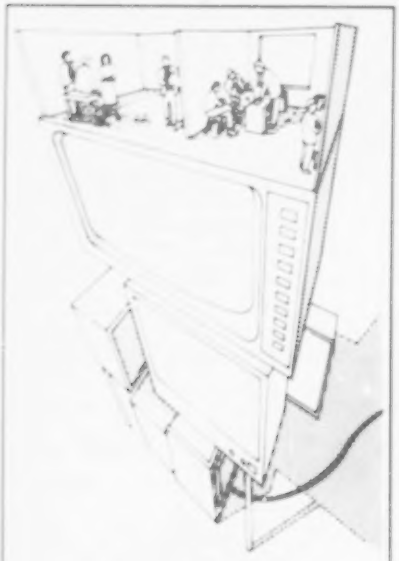

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senting each area of the farm was set up. Larger departments were allotted larger numbers of elected representatives. Each language group was represented.

Six months after the program started, Cushman and management developed an employee attitude survey, which revealed definite morale improvement. A new employee newspaper and increased social and athletic events have complemented the regular meetings. The program won this year's PRSA Silver Anvil in the Internal Communications category.

"Managers assume they're perfectly good at face-to-face—but they're not"

Tassani Communications in Chicago recently instituted an employee "sounding board." Owner Sally Tassani meets with a board of 10 employees once a month. Tassani told *Inc.* magazine that she was very surprised by the results, once she finally asked employees themselves what they want. Instead of more elaborate benefits, for instance, they asked for more access to, and positive reinforcement from, their managers.

More interactive technology

Many organizations are also using forms of communication which, while not always face-to-face, can be more interactive and response-inducing than a publication, and can help fill in any gaps. Employee questions and concerns must be welcomed by supervisors, fed back up the pipeline by any and all means, and answered candidly and promptly.

Suggestion systems and speak-out programs are increasingly common. IBM uses a mail-in system, "Speak Up," which allows employees to get individual responses to questions from high-level managers while maintaining their anonymity. Employees indicate their names and addresses, but these are removed by the "Speak Up" director and kept separately. When an appropriate executive has supplied an answer, it is mailed to the employee's home. Alternately, the employee may request a face-to-face or telephone response. Many large companies, including Anheuser-Busch and Eastman Kodak, now have similar programs.

Some companies have telephone systems that record anonymous employees' questions and feedback for use by management, public relations and human resources, as well as regularly conducted employee surveys. Where affordable, radio or videotaped news and comment shows with feedback opportunities elicit positive response from employees.

Telephone answer lines and kiosks continue to be quite popular in areas such as benefits, where many employees do not take the time to read a manual, but want their questions answered.

An electronic medium was recently employed at the Tennessee Valley Authority, the nation's largest producer of electric power. New directions from a new chairman, Marvin Runyon, called for a commitment to new organizational values, a major reorganization and a downsizing that eliminated 20 percent of TVA's jobs. Along with extensive job placement efforts, TVA board members conveyed consistent messages to 33,000 permanent workers and 4,000 contract workers *before* the media broke the stories (learning company news from the media first had become a major employee complaint), via satellite technology that carried major speeches across the entire valley. These were TVA's first-ever company-wide meetings.

The program's success caused top management to become more aware of how proactive employee communication would benefit the organization. As part of TVA's reorganization, the head of Governmental & Public Affairs began reporting directly to the chairman of the board.

Inter-department cooperation

Personalized tools and systems for two-way communications between managers and employees can stimulate critical enthusiasm and loyalty vital to success in today's marketplace. But internal communications professionals emphasize that successfully implementing them requires cooperation with human resources and other departments.

"When we become effective at these processes, we'll be able to write our own tickets—maybe," says Whitworth. "But we'll have to team up with other corporate specialists—maybe do co-training with public affairs, for example. We have to make communicators realize the need to give up some control to gain greater advantage. Getting things done with people is the key. We need to become counselors, as in other areas of public relations, rising above the technical 'doer' level."

Adds Emanuel: "The professionals who master this challenge will have incredible opportunities in the future." □

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